Flexibility Quota to garment exporters

754. SHRI RAJ NATH SINGH 'SURYA': Will the Minister of TEXTILES be pleased to state:

(a) whether Government have been trying to get "exceptional flexibility quota' to garment exporters from the European Union;

(b) if so, the result thereof;

(c) whether it is expected to come with certain conditions; and

(d) whether FDI in this sector would increase thereafter?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) Yes, Sir. Government have requested the European Commission (EC) to grant pending exceptional flexibilities, as per Clause 6 of the Indo-EU MoU, which was signed in December, 1994.

(b) and (c) As per Clause 2 of the MoU, India has notified the tariff bindings to the WTO against products covered in the MoU. However, EC has not yet released the exceptional flexibilities as they are examining the tariff bindings notified by India.

(d) The exceptional flexibilities released relate to export from India and as such have little bearings on FDI in India.

Unsold cloth manufactured by Pondicherry Textile Corporation

755. SHRI C.P. THIRUNAVUKKARASU: Will the Minister of TEXTILES be pleased to state:

(a) whether any provisions have been made by Government to modernise the Pondicherry Textile Corporation in the Union Territory of Pondicherry;

(b) whether it is a fact that the cloth manufactured costing several lakhs have not been sold and kept in the mill premises itself;

(c) if so, the value of the cloth; and

(d) the steps taken to sell the goods?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) to (d) The Pondicherry Textile

Corporation, Pondicherry is a Public Sector Undertaking of the Government of Pondicherry. It was taken over by the Government of Pondicherry under the Anglo-French Textiles Limited (Acquisition & Transfer of Textile Undertaking) Act, 1986. Since then, it is being managed by the Government of Pondicherry. Therefore, efficient and smooth running of the mill including its modernisation, marketing of manufactured textile goods and inventory management come within the purview of the Government of Pondicherry. However, Government of India have launched a Technology Upgradation Fund Scheme (TUFS) for textile and jute industries, which is in operation since 1st April, 1999 for a period of 5 years. No separate provision is made under the scheme to any mill, including those under the Pondicherry Textile Corporation. Any eligible textile/jute unit can avail of funds within the frame work of the scheme and normal financial norms of the concerned financial institution/ Bank.

Shifting APKK&M head office to Kerala

756. SHRI C.O. POULOSE: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the head office of APKK&M a subsidiary of the NTC is at Bangalore and out of the seven mills currently working under it five mills are located in Kerala and one in Mahe; and

(b) if so, whether Government will consider the proposal to shift the head office of this subsidiary to a place in Kerala?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) NTC (APKK&M) has 16 mills, of which 5 mills are located in Kerala, 6 in Andhra Pradesh, 4 in Karnataka and 1 in Mahe.

The Headquarter of NTC (APKK&M) has been at Bangalore since its inception.

(b) No proposal for change of Headquarter is under consideration at present.